

MINUTES
WEST LAFAYETTE REDEVELOPMENT COMMISSION
Morton Community Center – Multi-Purpose Room
222 N. Chauncey Avenue
West Lafayette, Indiana
March 10, 2016

The meeting was called to order by President Oates at 8:45 a.m.

The Pledge of Allegiance was recited.

Proper notices were published for this special meeting.

Secretary Steve Curtis called the roll.

Present: Larry Oates, David Sturgeon, and Steve Curtis

Absent: Chris Campbell, Brian Bittner, Johari Miller-Wilson, Patrick Hein

President Oates stated that for this Commission to have action it needs three positive votes. It is not based on a majority of the members present.

New Business:

Notarized Consent for the Area Plan Commission

Tom Brooks spoke regarding this project. The developer for Wabash Landing is going to re-do the planned development. The Redevelopment Commission owns some of that property. The Commission was required to sign a consent for the developer to be able to do the rezone for this development. Mr. Brooks asked President Oates to sign the notarized consent so that they may proceed. President Oates confirmed that this isn't an agreement that the RDC approves of their plans, it's simply a consent to the Area Plan Commission that the developer may move forward with his application for rezone. Commissioner Schauer moved to ratify the actions of the West Lafayette Redevelopment Commission President in signing the notarized consent for the Area Plan Commission for the Wabash Landing Rezone. Seconded by Commissioner Curtis.

The roll call vote to approve the motion:

Aye: Oates, Sturgeon, Curtis

Nay:

The motion was passed 3-0.

Resolution RC 2016-6

Commissioner Curtis moved to approve Resolution RC 2016-6, a Resolution of the West Lafayette Redevelopment Commission to Transfer Real Property to the Interlocal Cooperation Board of the City of West Lafayette and the Trustees of Purdue University. Commissioner Sturgeon seconded. Last month the Resolution RC 2016-5 was passed which was a transfer of the property on the south side of State Street. This Resolution is for the property on the north side of State Street between Tapawingo Drive and Brees Way. This land will be returned to the Commission at the end of the 22 years.

The roll call vote to approve the motion:

Aye: Oates, Sturgeon, Curtis

Nay:

The motion was passed 3-0.

Resolution RC 2016-7

Commissioner Sturgeon moved to approve Resolution RC 2016-7, a Resolution of the West Lafayette Redevelopment Commission Amending Lease Payments and Approving Amendment No. 1 to the PDA, A supplemental Memorandum of Understanding and Memorandum of Agreement. Commissioner Curtis seconded.

Commissioner Curtis moved to amend Resolution RC 2016-7 to add the Memorandum of Agreement Concerning the Flow of Funds for Reimbursement and Funding of Pre-Development Expenses to the Resolution. Commissioner Sturgeon seconded. All approved.

Mr. Brooks stated that Resolution 7 has several items in it. The first topic is the Memorandum of Agreement Concerning the Flow of Funds and the Funding of the Pre-Development Expenses which is called the MOA.

Steve Schultz, legal counsel for Purdue University, spoke regarding this topic. The funding of the State Street Project started with a Memorandum of Understanding between the City and the University which was a basic agreement on how the pre-development expenses were going to be funded. After this the Commission, PRF and the Council all became parties to the Pre-Development Agreement which established the platform to move forward with the procurement. Mr. Schultz went into detail regarding the different types of project costs for the State Street Project. On January 21, 2016 at the Joint Board meeting, the announcement that they were able to achieve the base project scope plus three additional ladder rungs within the affordability cap had been established. There were two additional elements of Perimeter Parkway that was a goal for the City and the University. The groups began working on ways to afford the additional scope. The group went back and revisited the plan for payment and worked with Plenary Group to fit in the additional scope. Mr. Schultz went into detail regarding this resolution and the payment funding of this project. The Supplemental Memorandum of Understanding is an acknowledgement of the members of the Joint Management Team with a proposal of how the to prioritize the uses of the funding recourses. Amendment No. 1 to the Amended and Restated Project Development Agreement reflects the agreement between the City and the University regarding the conditions that have been identified to make these resources available. The Memorandum of Agreement concerning Funds Flow states that notwithstanding the fact that the parties have this short term credit support facility available, the University is going to continue to carry the pre-development expenses and continue to submit invoices as approved for ratification by the Joint Board. The University will receive a pot of money at financial close that they will hold in trust for the benefit of the Joint Board. They will satisfy the receivable that is being carried on the University's books for the pre-development expenses that they've born and they will hold the balance, if any, in trust for the benefit of the Joint Board until May 31. That will help pay the invoices as they become due. On May 31, to the extent that there is money leftover in that funded pre-development account from the developer, it will be deposited into a contingency fund for the project. The short term

credit facility with PRF is still available for Mr. Buck to use to acquire property for right of way acquisitions. The University has agreed to move \$1.25 million of pre-development expenses into project indirect costs. Project indirect costs are costs that will only be paid back if the University can create development and TIF revenue in TIF 2. In doing this, the University has asked that the \$1.25 million will be paid for in TIF 1 that will come from a Purdue/PRF projects that will be taxable and that will only come from the increment created by whatever that project is. Purdue would get the first right to the tax increment revenue from that zone so long as the TIF is generating at least \$5 million. The University has also asked that TIF 2 is expanded to add in a few parcels that would be used with early development in this TIF, specifically Purdue West and some other parcels that have been designated.

Don Peterson with Purdue University spoke in detail regarding this project. There have been several changes made to the design of the project in order to get the entire perimeter parkway done with the funding. Dave Buck spoke regarding the changes made to the Wabash Landing development in regard to the State Street Project. They've revised the footprint of the Boulevard Park. They have also introduced a slip lane of parking which is similar to what is there in Brees Way but there will be one side of angled parking and one lane of parallel parking. They hope to get a concept drawing out soon.

Mr. Brooks stated that in this Resolution we are moving money around to obtain more scope.

Mr. Treat spoke regarding the level of comfort for the Redevelopment Commission. President Oates asked if this is doable with the income that they've projected within the Levee Village area. Mr. Treat stated that this is possible. The biggest risk is in the next 3-5 years, with the key risk is the ongoing volatility due to appeals and adjustments from the County that interrupt that TIF revenue. President Oates asked what the interest rates are currently doing. Mr. Treat stated that the first part of 2016 has been great with interest rates. This might seem a little rushed right now because originally the financial close wasn't supposed to be until May. However, it's been moved up due to the great interest rates. Mr. Treat also spoke to the increase in the initial lease payment. This payment will ultimately be approximately \$24.2 million.

The floor was opened to public comment regarding the changes in the lease payment. No members of the public had any comment.

The Commissioners were asked for any comment. Commissioner Curtis thanked everyone for their time to explain this process and documentation. No other comments were given.

The roll call vote to approve the motion:

Aye: Oates, Sturgeon, Curtis

Nay:

The motion was passed 3-0.

Other

None.

Public Comment

Public Comment was requested. Mayor Dennis spoke regarding this project and thanked the Commissioners and everyone for their time.

Tom Brooks announced that the Williams Street Bonds had closed that morning.

The next meeting of the Commission was confirmed.

**Wednesday, March 23, 2016 @ 8:30 a.m.
Morton Community Center – Multi-purpose Room**

Adjourn

There being no further new business. Commissioner Sturgeon moved to adjourn. Commissioner Curtis seconded. The meeting was adjourned at 9:38 a.m.

Stephen B. Curtis
Secretary

Approved:

Lawrence T. Oates
President